

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

## **SECTION 1. EARNED INCOME INCLUDES COMBAT PAY.**

(a) Earned Income Credit- Clause (vi) of section 32(c)(2)(B) of the Internal Revenue Code of 1986 is amended to read as follows:

“(vi) a taxpayer may elect to treat amounts excluded from gross income by reason of section 112 as earned income.”.

(b) Repeal of EGTRRA Sunset Applicability- Section 105 of the Working Families Tax Relief Act of 2004 shall not apply to the amendments made by section 104(b) of such Act.

(c) Effective Date- The amendment made by subsection (a) shall apply to taxable years ending after December 31, 2005.



